



| IN RE SALARY ADJUSTMENT APPROVAL |) | Supreme Court No. 94S00-1203-MS-173 |
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| Under HEA 1001 |) | |

APPROVAL OF STATUTORY ADJUSTMENT

Under the provisions of the Indiana Code enacted in 2005, if the Governor of Indiana directs pay adjustments for employees serving in the Executive Branch, the compensation of judges and prosecutors is adjusted at an equivalent rate. Ind Code § 33-38-5-8.1. When adjustments for judges and prosecutors do occur, they are typically delayed for six months.

There is nothing guaranteed or automatic about this process. It operates only when the Governor concludes that the state can and should provide cost-of-living or performance-based increases.

In the state's last budget enacted by the General Assembly, the legislature has directed that any such adjustment that would occur under existing statutes during the current biennium will not take effect unless it is also approved by the Chief Justice. HEA 1001, § 265.

In December 2011, Governor Daniels announced, as he did the year before, that performance-based increases would be given to "the most productive state employees in the country" in an amount that averages 2.2 percent. The Director of the State Budget Agency has determined that this 2.2 percent is the equivalent rate applicable to judges and prosecutors.

After considering the question placed before me by HEA 1001, I conclude like Governor Daniels that the regular operation of law should apply and that the pay of judges and prosecutors should be adjusted according to the statute. It is altogether right that the pay raise afforded the state's Executive Branch employees in January should be given to judges and prosecutors and their families this coming July.

Thus, I give the approval contemplated by HEA 1001.

DONE at Indianapolis, Indiana, this 16th day of March, 2012.

Randall T. Shepard

Acting Chief Justice of Indiana